



DEPARTMENT OF COMMERCE

International Trade Administration

[C-351-844]

Certain Cold-Rolled Steel Flat Products of Brazil: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: As a result of this expedited sunset review, the Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on certain cold-rolled steel flat products (CRS) from Brazil would be likely to lead to continuation or recurrence of countervailable subsidies at the levels as indicated in the “Final Results of Sunset Review” section of this notice.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Alex Wood or Steven Seifert, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1959 or (202) 482-3350, respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 20, 2016, Commerce published in the *Federal Register* a notice of the CVD order on CRS from Brazil.¹ On June 1, 2021, Commerce published the notice of initiation of the first five-year (sunset) review of the *Order*, pursuant to section 751(c) of the Tariff Act of

¹ See *Certain Cold-Rolled Steel Flat Products from Brazil, India, and the Republic of Korea: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order (the Republic of Korea) and Countervailing Duty Orders (Brazil and India)*, 81 FR 64436 (September 20, 2016) (*Order*).

1930, as amended (the Act).² Commerce received notices of intent to participate from Cleveland-Cliffs Inc., Nucor Corporation, Steel Dynamics Inc., and United States Steel Corporation (collectively, domestic interested parties) within the deadline specified in 19 CFR 351.218(d)(1)(i).³ The domestic interested parties claimed interested party status under section 771(9)(C) of the Act as manufacturers or producers of the domestic like product.⁴

On July 1, 2021, Commerce received an adequate substantive response to the *Initiation Notice* from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).⁵ Commerce also received a response from the Government of Brazil (GOB).⁶ However, we did not receive a substantive response from any other interested party in this proceeding. On July 22, 2021, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties.⁷ As a result, Commerce conducted an expedited (120-day) sunset review of the *Order*. On September 1, 2021, officials from Commerce and the GOB met to discuss certain procedural aspects of the expedited sunset review on CRS from Brazil.⁸

Scope of the *Order*

The products covered by this order are certain cold-rolled (cold-reduced), flat-rolled steel products, whether or not annealed, painted, varnished, or coated with plastics or other non-metallic substances. The products subject to this order are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7209.15.0000,

² See *Initiation of Five-Year (Sunset) Reviews*, 86 FR 29239 (June 1, 2021) (*Initiation Notice*).

³ See Cleveland-Cliffs Inc.'s Letter, "Notice of Intent to Participate in Sunset Review," dated June 14, 2021; Nucor Corporation's Letter, "Notice of Intent to Participate in Sunset Review," dated June 16, 2021; United States Steel Corporation's Letter, "Notice of Intent to Participate," dated June 16, 2021; Steel Dynamic Inc.'s Letter, "Notice of Intent to Participate," dated June 16, 2021.

⁴ See *id.*

⁵ See Domestic Interested Parties' Letter, "Domestic Industry's Substantive Response to Notice of Initiation," dated July 1, 2021.

⁶ See GOB's Letter, "Initial Comments," dated August 31, 2021. The GOB initially filed its comments on June 30, 2021, but we subsequently requested that the GOB revise the bracketing of certain information in its submission and refile it. See Commerce's Letter, "Five-Year ("Sunset") Review of Cold-Rolled Steel Flat Products from Brazil: Rejection of Response to Notice of Initiation," dated August 25, 2021.

⁷ See Commerce's Letter, "Sunset Reviews Initiated on June 1, 2021," dated July 22, 2021.

⁸ See Memorandum, "Meeting with Government of Brazil," dated September 7, 2021.

7209.16.0030, 7209.16.0060, 7209.16.0070, 7209.16.0091, 7209.17.0030, 7209.17.0060, 7209.17.0070, 7209.17.0091, 7209.18.1530, 7209.18.1560, 7209.18.2510, 7209.18.2520, 7209.18.2580, 7209.18.6020, 7209.18.6090, 7209.25.0000, 7209.26.0000, 7209.27.0000, 7209.28.0000, 7209.90.0000, 7210.70.3000, 7211.23.1500, 7211.23.2000, 7211.23.3000, 7211.23.4500, 7211.23.6030, 7211.23.6060, 7211.23.6090, 7211.29.2030, 7211.29.2090, 7211.29.4500, 7211.29.6030, 7211.29.6080, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7225.50.6000, 7225.50.8080, 7225.99.0090, 7226.92.5000, 7226.92.7050, and 7226.92.8050.

The products subject to this order may also enter under the following HTSUS numbers:

7210.90.9000, 7212.50.0000, 7215.10.0010, 7215.10.0080, 7215.50.0016, 7215.50.0018, 7215.50.0020, 7215.50.0061, 7215.50.0063, 7215.50.0065, 7215.50.0090, 7215.90.5000, 7217.10.1000, 7217.10.2000, 7217.10.3000, 7217.10.7000, 7217.90.1000, 7217.90.5030, 7217.90.5060, 7217.90.5090, 7225.19.0000, 7226.19.1000, 7226.19.9000, 7226.99.0180, 7228.50.5015, 7228.50.5040, 7228.50.5070, 7228.60.8000, and 7229.90.1000. The HTSUS subheadings above are provided for convenience and U.S. Customs purposes only. The written description of the scope of the order is dispositive.⁹

Analysis of Comments Received

A complete discussion of all issues raised in this sunset review, including the likelihood of continuation or recurrence of subsidization in the event of revocation of the *Order* and the countervailable subsidy rates likely to prevail if the *Order* were to be revoked, is provided in the Issues and Decision Memorandum. A list of the topics discussed in the Issues and Decision Memorandum is attached as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS).

⁹ For a complete description of the scope of the *Order*, see Memorandum, "Issues and Decision Memorandum for the Final Results of the First Sunset Review of the Countervailing Duty Order on Certain Hot-Rolled Steel Flat Products from Brazil," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, Commerce determines that revocation of the *Order* would be likely to lead to continuation or recurrence of countervailable subsidies at the following rates:

Manufacturer/Producer/Exporter	Net Countervailable Subsidy (percent)
Companhia Siderurgica Nacional (CSN)	11.31
Usinas Siderurgicas de Minas Gerais S.A. (Usiminas)	11.09
All Others	11.20

Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305, which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

Commerce is issuing and publishing these final results and notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act.

Dated: December 27, 2021.

Ryan Majerus,
Deputy Assistant Secretary
for Policy and Negotiations,
Performing the Non-Exclusive Functions and Duties of the
Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. History of the *Order*
- V. Legal Framework
- VI. Discussion of the Issues
 - 1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
 - 2. Net Countervailable Subsidy Rates Likely to Prevail
 - 3. Nature of the Subsidies
- VII. Final Results of the Sunset Review
- VIII. Recommendation

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